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daughters in the families studied did contribute to the support of these family groups. Ninety per cent of all members in the family of working age contributed to the support of their group. The family income shows great fluctuations even when drawn from so many sources. The men's earnings are often interrupted by considerable periods of unemployment, but the earnings of the sons were both higher in rate and more regular than those of the fathers. They contribute less, however, to the family than the girls who handed over their pay envelopes unopened.

The mothers in 26 of the 48 homes did home work, and in 9 cases took in lodgers. As to the amounts of the family income, they varied from \$457 to \$3,716. The discussion of the different classes of expenditures is slight but suggests adequate expenditures for food, inadequate allowance for rent and heat and light, and calls attention particularly to the demoralizing influences and the great difficulty arising from the irregularity with which the income is received. It is surprising to note that a very small number of the families were insured.<sup>1</sup>

A chapter is devoted to a group of workers who did not live with their own families. And there is a chapter on "Education and Training." The chapter on readjustment, however, points out that as these Italian workers constitute only a small portion of the employees in the establishments in which they work, so far as working conditions, opportunity to learn English, and vocational training go, the principles applicable to the treatment of those girls would be applicable to the entire group of women workers. Housing conditions and prices would affect all. Interesting facts with reference to the family discipline indicate a resource in the loyalty and patience of these Italian girls when once a loyalty has been built up and a goal pointed out, from which may be developed a very rich contribution to the life of our American communities.

S. P. BRECKINRIDGE

UNIVERSITY OF CHICAGO

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*The Results of Municipal Electric Lighting in Massachusetts.* By EDMOND EARLE LINCOLN. New York: Houghton Mifflin Co., 1918. Pp. xx+484.

This volume is a Hart, Schaffner & Marx prize essay. It was submitted in Class A during the year ending June, 1917, and was awarded first prize in that class. Like most previous Hart, Schaffner

<sup>1</sup> Page 206.

& Marx prize essays it is an excellent piece of work. From the very beginning the reader is impressed with the author's familiarity with and mastery of his subject. That impression deepens as one goes through chapter after chapter, follows the detailed analysis of the copious statistical data presented, and finally reaches the logical conclusions which the author draws. As a consequence one feels that all of the customary arguments which have been presented in support of public ownership certainly need to be revised in the light of the results set forth by this study. Unquestionably the volume is a valuable contribution to public-utility literature.

However, "the aim of this book is to suggest and exemplify those methods of approach and investigation which may most profitably be followed in future studies of the problems of municipal or state ownership rather than to make any startling contribution to an already overworked field." In following such methods of approach and investigation the writer is "wholly impartial," assumes "an attitude of mental neutrality," and does justice to both sides of the question. To begin with, he investigates the thirty-nine municipal electric-light plants in Massachusetts, of which eighteen are generating plants and twenty-one are purchasing plants, i.e., plants which purchase their current instead of generating it. With these public plants, thirty-three private plants similar in size are compared. Of these private plants, seventeen are generating and sixteen are purchasing plants. All of them are practically the worst managed in the state, which gives the benefit of the doubt in case of the results worked out to the public plants. The comparison, covering only a small portion of the whole public-utility field, is intensive rather than extensive, is made over a five-year period from 1910 to 1915 by a comprehensive analysis of the annual returns of the Massachusetts Board of Gas and Electric Light Commissioners, and takes into consideration not only the usual financial factors such as balance sheets, operating expense, income accounts, and rates, but also the historical, developmental, and technical factors. The problem is "viewed not merely from one or two angles, but from all angles." In addition, the conclusions drawn from this statistical comparison are checked up, tested, and verified by a local personal survey of both public and private plants. This makes the results all the more significant, because they are tested by practical as well as academic standards.

The first three chapters are essentially introductory. They begin with a survey and criticism of the literature on the subject of municipal electric lighting in the United States. The literature is

critically examined and generally condemned as superficial and unscientific. The entire examination abounds in trenchant sarcasm. Aside from this examination there is a reference to Massachusetts Laws concerning gas and electric companies, showing among other things how they foster both horizontal combination and integration of the companies. Finally, a general comparison is made of all municipal and private electrical concerns with regard to their history, numbers, finances, purchase of current, distribution by population groups, investment, and date of installation. The activities of the Massachusetts Board of Gas and Electric Light Commissioners are thoroughly approved and a warm tribute is paid to the members for their high-mindedness in enforcing "strict regulation for the highest good of all."

In the fourth chapter the physical statistics with reference to both groups of plants are presented and analyzed. In relation to the generating plants the factors considered are: station equipment, fuel consumption, output and disposal of current, customers, connected load, street lighting, lines, poles, and transformers. In relation to purchasing plants the factors considered are: output, sales, character of business, customers, connected load, poles, and length of lines. At the end of the chapter is a summary of the technical results. The chief importance of the chapter lies in the comparison of the physical equipment, development, and operation of the two groups of companies as a prerequisite to a correct interpretation of financial data. Too little attention perhaps has been directed to physical or technical features in discussing public ownership. Were they more definitely and minutely considered, they would give deeper and more vital issues involved than the mere examination of income and expense accounts.

In the fifth, sixth, seventh, and eighth chapters the financial statistics of the municipal and private companies are exhaustively compared. For the generating plants of both groups the comparison involves: the capital account as it is related to methods of accounting and financing, investment, policy of extension, and balance sheet; operating expense account as it is related to unit-manufacturing costs, fuel, wages, and costs of distribution; the operating income account as it is related to light, power, and rate schedules; the disposal of net income; and the cost of street lighting. Likewise the same points are taken up and briefly discussed with regard to the purchasing plants. At the close of each chapter there is an excellent summary. On the whole the comparative financial analyses presented, except from the point of view of detail, are not unlike those usually made in financial statistical investigations.

The ninth chapter takes up miscellaneous considerations such as labor, wages, valuation of estates, tax rates, and intangible items. The tenth, eleventh, twelfth, and thirteenth chapters contain the results of the local survey. These results were secured by schedules sent out to the companies and by personal visitation. The questions covered were: general environmental conditions, management, labor, central stations, distribution, consumption, financial and miscellaneous conditions. The same methods as before were followed in that the generating plants and purchasing plants were surveyed separately. Data obtained in this manner were interpreted in the light of the previous statistical analysis. Thus the local survey served as a check on the statistical study, and the statistical study served as a check on the local survey. By such means error was reduced to a minimum and the resulting conclusions were, as far as humanly possible, accurate and reliable.

In the fourteenth chapter there is a summary of the main facts and findings of the whole book. It might be well to state the substance of these facts and findings in a few brief sentences: The conditions under which the public plants operate are more favorable than those under which the private plants operate. The public generating plants, pragmatically tested, have lagged behind the private generating plants, financially, physically, and developmentally. While the public generating plants have not been a failure, they have by no means been a conspicuous success. The public purchasing plants have made unusually good showings as contrasted with the private purchasing companies. The outlook is not propitious. The tendency is toward purchasing plants in both groups which carry on only a distributing business. There is little reason for investing in public generating plants: only distributing plants are needed and even they are needed only when it is impossible to get private companies to render the service without charging prohibitive rates. However, cities should always be able to municipalize their electric lighting businesses, because the possibility of doing so exercises a restraint upon such businesses with regard to rates and services. As the municipal plants were the fixed quantity in the study, no conclusions are drawn concerning the success of private plants. "Only the simplest and the well-seasoned enterprises are at all suitable for public operation." In general, from the economic point of view, the success of all government-owned and -operated businesses must be judged by the well-known canons of private business enterprises.

WALTER J. MATHERLY

GEORGETOWN COLLEGE